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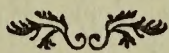
*The* ARGUMENTS  
FOR *and* AGAINST  
American Imperialism

*By*

ADMIRAL WILLIAM LEDYARD RODGERS

*and*

AMOS PINCHOT



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THE question of American Imperialism bulks ever larger in our political life. Its implications are so great, both in our present and future development, that it is to-day as much an internal question as it is an external one.

We are a busy people, too busy to read large volumes dealing with this question, which touches either for good or bad the lives of all of our citizens.

The case for and against, as stated by these widely known publicists, is so objectively treated that it has been removed entirely from the field of partisan discussion with which it has heretofore been heavily overlaid.

ADMIRAL RODGERS engages in no hypocritical phrases as to our "Manifest Destiny" or of our duty either to "Christianize" or "Civilize" what we have chosen to name "Backward people". The larger nations of the world are justified in interfering with the smaller ones when in the view of those who rule the larger ones, the small nations fail to conduct their affairs in an efficient manner.

AS ADMIRAL RODGERS puts it — "A government is a corporation, acting not merely for the good of its shareholders, but for the common good of similar corporations. In that more crowded world which is almost upon us, a corporation, which can not act, which prefers anarchy to strength, risks receivership."

AMOS PINCHOT denies that the Government of this country, entrusted by its people with power has any right to use this power to protect the dollars of any of its citizens who may have invested them in foreign lands. As he puts it, "It is all perfectly right and proper for me to take my dollar to Mexico or any other place and get all I can out of it by every decent means (or leave it there and come home as most investors do). But for me, — after subjecting my dollar to the larger and fully anticipated risk for the sake of the larger and fully anticipated return, — to come running to the American taxpayer, the moment the risk materializes and the return does not, demanding that he, the taxpayer, who has never invested a cent in Mexico and probably never will, shall send his son and his money southward to get my adventurous and deliberately hazarded dollar out of trouble, is obviously a performance that requires diplomatic description, lest the public should see it in its true light and call it by its correct and by no means agreeable name."

The issue between the Imperialists and anti-Imperialists is squarely joined and frankly stated in these two presentations of the case in the pages of THE FORUM magazine, which has been particularly active for some time in presenting to its readers both sides of all questions of vital importance to our people.



# CAN MEXICO MAINTAIN ITS ISOLATION?

WILLIAM LEDYARD RODGERS

*IS Mexico the victim of American imperialism? No, says Rear-Admiral Rodgers, she is the victim of her own weak Government. Nations hold their natural resources in trust, not only for their own people, but for trade with all mankind. Mexico controls certain raw materials that have become necessary to the economic peace of the world, and the world looks to her to keep her markets and trade routes open, unhampered by civil disorders. If the Mexican Government can not do so, other Governments will have to.*

territory without her consent. Moreover, in 1865 we massed fifty thousand troops along the Rio Grande and threatened, through the force of the Monroe Doctrine, to cross it in protest against the French military occupation of Mexico. Again, in 1877, President Hayes's stern dictum to the Mexican Government that weakness on its part would entail occupancy by the United States secured internal peace for over thirty years. Then the present disorder broke out. In the light of the past, it is therefore not unreasonable, nor impertinent, but only prudent to examine the present conditions in Mexico and their effect upon our relations with her in order that we may anticipate what the future may possibly hold for us both.

Before considering such gross and material matters of difference between the two countries as the oil controversy and the new Constitution, I shall speak of matters of the spirit and of temperament. Why is the background of our relations with Mexico and with other Latin-American nations more or less one of mutual distrust and vague dislike?

First, there is the barrier of language. Mankind inherits from prehistoric ancestry an instinctive fear of the stranger, which, with the growth of civilization and security, has been modified to a contempt of all that is foreign as ignorance. And of all ignorance,

**T**HIS article has no line of conduct to advocate; but is an attempt to assume a detached point of view, — based on historical precedents established by other countries as well as by this, — and so forecast the outcome of the Mexican situation this way or that as events develop. Since 1840 this country has had a war with Mexico, and twice within the last thirteen years we have invaded and occupied her



inability to speak the local tongue at once places the foreigner beyond the pale, — a true barbarian and outlaw. One of our colored soldiers, working in a labor battalion in France, saw a Senegalese soldier approaching him in French uniform. He recognized the blood-tie and burst into song. "Hi, niggah! Wat you doin' in dem cloes?" He was answered in Senegalese with gay French courtesy. Wailing with a gesture of contempt, our man turned to his task: "Go on, niggah! you-all is nuttin' but a dam Frawg." And so, lacking a common speech, both the Mexican and the American begin their relations with the false assumption that the other is a "damn Frog".

Then there is the difference of culture. When our respective ancestors first left Europe for America, four hundred and three hundred years ago, they perhaps differed less in cultural background than we do now. Both the Spaniards and the English inherited the classical traditions of Greece and Rome and of later feudal society, and the Christian religion together with the renaissance of art and learning. For both, all these elements of culture had resulted in aristocratic forms of government in which society was organized into upper, middle, and lower classes, and this stratification was admitted by all. Thus, with not wholly dissimilar outlook, both sets of colonists departed for the new world, where their paths of social and cultural development rapidly diverged. In Mexico the Spaniards found a dense population which they conquered and left on the soil to work it for them. Naturally, they preserved or adapted the forms of social relations they inherited from ancient Rome, with patron and client, with master and slave. With an alien aristocracy and a native subject race, it followed that industrial efficiency was neglected, while the wealth of the Aztecs and the fecundity of the tropics led them to cultivate social ceremony and refined leisure.

In northern America, our English and Dutch forebears met other conditions. Here was a "stern and rock-bound coast," an unresponsive soil, and a scanty native population, which was driven off. Here was no seat for an aristocracy, but for stark democracy only; where every man made for himself his position in the community, and a premium was placed upon business and industrial efficiency as the price of existence. In the resulting code of manners, old-world urbanity disappeared and was replaced by a



kindly and helpful, — but brusque, — rusticity, characteristic, but displeasing to others.

These diverse ideas of social organization and industry have caused the Anglo-American and the Spanish-American to place unlike values on the administration of certain sections of the legal codes. The aristocrat below the Rio Grande looks to the law to guarantee security to himself and his personal property against the discontent of the masses. The democrat to the North has developed the law of business security and has comparatively neglected to maintain personal security.

To these differences we must also add those of religion. Thus, when the American reaches out to make his first contacts for better or for worse with the Mexican, their manners are mutually repellent. The language barrier is only a symbol of their complete inability to understand each other. When Americans express scorn for a nation which lets revolution interfere with big business, the Mexican retorts with scorn that we do not protect the man in the street from violation of his personal liberty. And the quarrel proceeds point by point. It is not surprising, therefore, that the record of the political relations between the two countries should be one of almost perpetual disagreement and mutual suspicion.

The common boundary line enforces upon each nation a connection and an interest in the other as unavoidable as that between the Siamese twins. Trade and commerce are the chief bases of international politics and friendships, and any disorder in Mexico is prejudicial to good-will.

Within the last century, international commerce has gained an importance hitherto unknown to the world. Before the days of power-driven machinery and ocean steamships, communications were difficult and the cost of transportation ate up the profits of specialized industries. Therefore, in the main, every country was industrially sufficient to itself, or nearly so, both in agriculture and manufactures; and in consequence, standards of living were comparatively unaffected by those of other countries. This immemorial situation has been altered by the cheap transportation systems of our day. Four great nations have won world supremacy on the basis of mass production by machinery, — the United States, Germany, England, and France, — while other countries, without their wealth and coal, remain agricultural and export raw



materials. In consequence, the Big Four dominate the world by their economic might, and the cheap freight rates they provide are managing both to raise and spread the standards of living throughout the earth.

In a world as unified economically, public disorder anywhere is hateful, for it throws international industry out of gear. And since Mexico has been in turmoil since Diaz fell in 1910, the manufacturing nations of Europe and America demand that their supply of raw materials from Mexico, — oil, hemp, and lumber, besides coffee and tobacco, — shall no longer be cut off through the failure of successive weak Governments to maintain public order. Before all else, the paramount duty of every Government is to maintain public order, so that its people may earn their living in security at least, if not in contentment. When a Government accomplishes this primary task to the satisfaction of the masses, it matters little to the outside world if tyranny prevails and some individuals are oppressed unduly. It is when misgovernment disturbs labor that it becomes intolerable both at home and abroad.

It is often urged in justification of the turbulence in Mexico that the masses are oppressed by the hereditary landowners and the political generals, and no doubt it is so. We are told the downtrodden are trying to get a people's Government and are, therefore, entitled to our national sympathy. Without withholding our personal sympathy, we must recognize that all Governments are "hard boiled" in such matters, including our own, and they always will be. Their first duty is to their own nationals, who individually wish to have their contracts executed and their debts paid and generally wish to carry on their business in security. The new economic conditions require that weak Governments the world over must either make themselves strong internally, or go. The opinion of the world will permit the downtrodden classes anywhere a chance to right their wrongs by armed insurrection; but after reasonable opportunity, if they fail to make good, the world loses sympathy and expects them to take up their fetters and get to work again. Mexico has had fifteen years of disorder in the name of liberty, but has not yet developed a government strong enough to guarantee that security which international business demands.

In municipal law there is a principle known as the "right of



eminent domain", which permits a Government to expropriate private property for the use and benefit of the public. In international law, as expounded by the text-writers, this principle is not admitted; but in the actual practice of Governments in their international relations, it is a doctrine often acted upon. This closely knit economic world must supply the Big Four and the lesser nations of their kind with raw products, or their machine industries slow down and all communities suffer, even the most pastoral and simple with the others. Mexico has products that the world looks to her to provide. She can not go on making the world wait. If she establishes security, which will permit her people to work in the fields and mines and exchange their products for those of other nations, all will be well with her internationally. If she can not, or will not, do so, she will surely suffer infringements of her sovereignty by foreign powers bent on doing for her what she can not do for herself.

Thus, in world affairs, as in national affairs, we see the potency of the democratic principle that the majority has rights over the minority. World interest claims precedence when the impotence of a laggard nation interferes with the good of the greatest number. Indeed, great nations have grown up in the past, not so much through conscious desire for ruthless conquest as because those in power with a strong government at their disposal, found themselves compelled, for the peace of their borders and the good of their people, to extend the blessings of law and order over ever widening areas. That such extensions have caused much personal suffering is a secondary matter. Nature and mankind have always been cold to the suffering of individuals for the advantages of the crowd. And the personal sympathies of their own nationals for the distress of people in other countries has never had much weight in determining governmental policy except when continued public disorder has furnished foreign Governments with a valid excuse for intervention. Then they never fail to play up their humanity as the dominant motive, and offer that as their warrant for interposing. Public disorder in Mexico is a source of our friction with other powers. Thus, international disputes issue from the local disorder, and will disappear with it.

It is the duty of every Government to protect the lives of its citizens engaged in lawful occupations abroad and to prevent un-



lawful expropriation of their property. Therefore, the stand Mexico has taken against the vested rights of foreign citizens will not permanently be tolerated by this or any other great country. When these and similar extreme abuses of authority are remedied, it will matter little whether royalties on the mining concessions are high, or whether there is graft in getting them. Business will accommodate itself to the existing situation, in which it will chiefly prize security; and foreign offices will be deprived of ground for remonstrance.

There remain to be spoken of, the "Church" and the "Red" questions which have been closely associated in people's minds and which, in the past few months, have been exciting as much or even more notice than "oil". Propaganda is even more effective as a stirrer up of political discord than economics; and in the present case, the "Reds" in Mexico, if the word of the daily press may be taken at face value, are attacking not only the ancient connection between Church and State, but the beliefs and religious practices of individuals, some of whom are foreigners. And once more the weak Government in Mexico is the chief cause of uneasiness in this country. When the Combes ministry in France parted Church and State twenty years ago, it was strong enough to carry out the operation without disorder, and therefore without effective protest from anywhere abroad. So in Mexico, were the government strong enough to carry out its wishes in this respect with virile precision, foreign protest would soon subside.

We may now consider the alternatives which offer themselves for the future. As a result of the foregoing discussion, we may regard as secondary the disputes which have arisen over the religious question, giving primary notice to the economic situation and the impotence of the Mexican Government. As has been indicated, all the world needs open markets in Mexico. This will not only be for the good of foreigners and foreign markets, but it will also raise the material standards of life among the down-trodden people of Mexico itself. Among the nations most directly concerned in Mexico, Germany is precluded from taking action by the Treaty of Versailles, while France and England are not without precedents for action. Their past history shows that they have developed their colonial empires by a continual extension of orderly rule over turbulent neighbors. But sixty years ago the



French attempt to collect debts by occupying Mexico was brought to naught by the United States acting under the Monroe Doctrine, and this fiasco helped in the undoing of the Second French Empire. Similarly, when England and Germany undertook to enforce their claims against Venezuela twenty-five years ago by a "pacific blockade", the United States made a vigorous protest which ended the foreign pressure upon Venezuela, although this had the legitimate purpose of upholding their national rights in a disorderly country. In like manner the Monroe Doctrine has repeatedly prevented aggrieved European Governments from seeking their own redress in the new world.

Therefore, such Governments say to us, — after the fashion of diplomacy, by suggestion and innuendo, — that if the Monroe Doctrine blocks their action, the accomplishment of their purpose falls to us, or the Doctrine falls of itself. We proclaimed the Monroe Doctrine a hundred years ago, for our convenience and safety when we were weak, — so they think. Now when we are strong, they expect us to act under it for others as well as for ourselves. They believe that if we claim privilege, we must accept duties. There is nothing particularly new in the idea of American intervention in other countries. We began maintaining public order in Panama soon after gold was discovered in California, and have continued to do so from time to time whenever public security along the line of the railway and the canal has been imperiled. We went to war with Spain because the insurrection in Cuba lingered without promise of conclusion, and the protraction of an economic nuisance at our doors was intolerable. Ostensibly we went to war in the interest of humanity. After the liberation of Cuba and our withdrawal in 1902, we reoccupied the island in 1906 to restore lost order. The perpetual disorder in Hayti caused our occupation of the country, where the United States forces restored prosperity to an oppressed and poverty-stricken peasantry, and still maintains it. In San Domingo, the eastern half of the same island, our ten-years' rule has done as much for the mass of the people. And in Nicaragua, the occupation of the capital by American marines, and the Special Service Squadron kept at hand at the Isthmus, has granted the prayer in the church ritual for "peace in our time, O Lord."

For all these services to suffering humanity, the American



Government has been scolded both at home and abroad because these actions were also helpful to business. For helping establish law and order outside its own territory, when they could not otherwise be secured, the conduct of the United States has been roundly denounced. In spite of such clamor, the relations of this country with its weaker neighbors have been beneficent. Since we first declared the Monroe Doctrine, we could not have acted other than we have without renouncing, along with the Doctrine, both our national position and our world prestige. And now, if Mexico can not bring about internal peace, she must recollect that ever since the year when Cicero was Consul, governments confronted with disturbers of the public peace, either within or without their borders, have repeated his monition: "How long, O Catiline! wilt thou abuse our patience?"

Since Madero overthrew President Diaz, continued disorder, — obnoxious alike to the unfortunate peasantry of Mexico and to the economic welfare of this country and of the world at large, — has prevailed beyond our southern border. Nevertheless, this country has not been in haste to interfere, although other nations hope we will, at the same time reproaching us if we take any action which seems to have that end in view. Since the beginning of these Mexican disorders, the Democratic and the Republican administrations here, — each after its own fashion, — have given Mexico every aid to suppress her own disturbances. But if vexatious disorder continues to provoke the world, the pressure of other nations may be added to swell the outcry of our injured business. There are precedents for future action in the warning to Mexico by the Hayes administration, and in the temporary occupation of Cuba in 1906-09 during the Roosevelt administration. At present, this country is not thinking of such a serious step, nor could it be induced to take it without greater provocation than it has yet had. Our Government still hopes for the best. At the same time, Mexico must not forget that the population of the world is pressing faster than ever on the means of support. A government is a corporation, acting not merely for the good of its shareholders, but for the common good of similar corporations. In that more crowded world which is almost upon us, a corporation which can not act, which prefers anarchy to strength, risks receivership. May Mexico soon realize her danger!



# THE FLAG AND THE DOLLAR

AMOS PINCHOT

*I*N the June issue of THE FORUM, Rear-Admiral William Ledyard Rodgers warned Mexico to mind her manners or prepare for intervention which, he said plainly, could not be delayed forever. With that view of the matter, Mr. Pinchot takes issue sharply. Admitting that the American citizen is entitled to invoke the flag's protection, he asks whether the dollar has the same right. If Yankee investors seek extra profit in turbulent lands, ought they not accept also the risk that inevitably goes with it.

escaped war with our neighbor to the south, — a neighbor passionately desiring peace, since she has all to lose by war. And so constant is the pressure exerted at Washington by American financial interests, that it will be little short of a miracle if Mexico, during the next ten years, is able to "maintain her isolation", which, in plain language, means remain a nation and not be annexed by us or transformed into a dependency.

Broadly speaking, there are two main arguments for the termination of Mexico's "isolation". These are: first, that the Mexican government is not strong enough to insure a degree of stability and order that will permit Mexico to provide the world with such raw materials as it requires of her; consequently, there must be intervention (a suave word carrying all the implications of armed conquest); and, second, that the dollar of the American investor is not being treated fairly in Mexico. Therefore, we must go down there and see that it is given consideration.

The first of these arguments forms the thesis of Admiral Rodgers's FORUM article. The second, which for convenience I shall take up first, is the stock argument of interventionists and was made official Republican doctrine by President Coolidge on April 25, when he said: "The person and *property* of a citizen are a part of the general domain of the nation even when abroad. . . . there is a distinct and binding obligation on the part of self-respecting governments to afford protection to the persons and *property* of their citizens wherever they may be." (Italics

**C**AN Mexico maintain her isolation?" is the question asked by Rear-Admiral Rodgers in the June issue of THE FORUM, — a question deriving importance from the fact that President Coolidge forced it on the attention of the American people by his now famous Palmerstonian speech at the United Press Association dinner at the Biltmore Hotel on April 25. Twice in the last eleven years we have narrowly



mine). Mr. Coolidge makes no distinction between person and property, — the man and the thing. And here, as I see it, he is on dangerous ground. For, though the flag has always followed the citizen across international lines and protected him, are we ready, entirely ready as a nation, to commit ourselves to the principle that it shall also follow and protect the dollar?

Attracted by the possibilities of making larger profits than can be counted on at home, I take my money, or some of it, out of this country and go down to Mexico. Why do I do this? Is it because I like the climate of Mexico or have confidence in the stability of Mexican political and economic conditions? By no means. I take my money to Mexico because I think it will bring me more profits there than here. Why do I think this? For the precise and particular reason that, on account of comparatively unsettled conditions and the consequent risk of investment, the return on capital in Mexico is larger than the return in the United States. And that increased return, and nothing else, is the reason why my dollar or any American dollar goes south of the Rio Grande.

As a man of ordinary experience, I am aware that risk is the factor that determines the rate of return. I am aware that, if conditions were as stable in Mexico as they are here, and business risks equal, the returns would be equal in the two countries. Moreover, it is clear as sunlight that, if the risk of investment were the same in Mexico as in a country like ours, whose revolutionary period is happily in the distant past, the Mexican government would not be offering to foreigners such favorable opportunities for the making of vast profits as it does actually offer. It would not have to. Capital would come in anyhow.

In a word, it is all perfectly right and proper for me to take my dollar to Mexico or any other place and get all I can out of it by every decent means (or leave it there and come home as most investors do). But for me, — after subjecting my dollar to the larger and fully anticipated risk for the sake of the larger and fully anticipated return, — to come running to the American taxpayer the moment the risk materializes and the return does not, demanding that he, the taxpayer, who has never invested a cent in Mexico and probably never will, shall send his son and his money southward to get my adventurous, deliberately hazarded dollar out of trouble, is obviously a performance that requires diplomatic description, lest the public should see it in its true



light and call it by its correct and by no means agreeable name.

And it is not as if the fate of the American dollar invested on foreign soil meant anything to the American consumer. It does not. A limitless supply of petroleum coming from the Mexican wells to this country would hardly lower the price of gasoline or kerosene here by a fraction of a cent. As conclusively shown by the report of the Senate Sub-Committee on Manufactures, based on its investigation of the oil industry in 1922-23, the price of petroleum products has no relation to the supply of petroleum. For not the law of supply and demand, but the Standard Oil Company controls prices by controlling the avenues of transportation. Indeed, the whole shoddy theory of dollar imperialism is a too much tolerated fraud, the tragedy as well as the comedy of which lies in the fact that, under the hypnosis of industro-financialism, society is inclined to accept any humbug that allegedly helps business.

There is only one course to take in regard to this war-breeding doctrine. We should abandon it, — abandon it promptly and wholly. There is no halfway ground. Either American arms protect the American investor's dollar in foreign lands, or they do not. If they do, then we must be prepared to fight in Mexico, Nicaragua, or any country where the dollar needs us. Obviously the only way to keep out of such embarrassing and dangerous positions, is to go on precisely the opposite theory from that of the Coolidge administration.

The American dollar away from home, is on its own and must take its chances. It must accept the laws, good or bad, and the administration of laws, good or bad, of the government whose territory it has entered. It must rely solely on the good-will and intelligent self-interest of that Government to protect it, and not on an extraterritorial extension of the authority of the American Government. And, though it may occasionally suffer, in the long run it will be the gainer, for such a course will go far, much farther than the present bullying policy of our State Department, toward establishing good will, security, and increasing trade opportunities among our neighbors.

Now, as to Admiral Rodgers's FORUM argument for intervention, namely, that, since Mexico does not produce as she should, we have a right, — indeed, a duty, — to enter forcibly and make her produce, this is the argument we hear applied by imperialists as glibly to the shores of the Mediterranean as those of the



Caribbean. And, provided we admit there exist no values of consequence but material values and that the first and great commandment of a nation is to produce things wanted by other nations, it is a formidable argument, indeed, one to which there is no answer.

Admiral Rodgers presents this argument both convincingly and honestly. Indeed, he argues in such a way that, though one need not agree with his conclusions, one can not but admire his candor and praise the clarity with which he states his position. He says:

Four great nations have won world supremacy on the basis of mass production by machinery, — the United States, Germany, England, and France, — while other countries, without their wealth and coal, remain agricultural and export raw materials. . . .

The new economic conditions require that weak Governments the world over must either make themselves strong internally, or go. The opinion of the world will permit the downtrodden classes anywhere a chance to right their wrongs by armed insurrection; but after reasonable opportunity, if they fail to make good, the world loses sympathy and expects them to take up their fetters and get to work again. Mexico has had fifteen years of disorder in the name of liberty, but has not yet developed a government strong enough to guarantee that security which international business demands. . . .

This closely knit economic world must supply the Big Four and the lesser nations of their kind with raw products, or their machine industries slow down and all communities suffer, even the most pastoral and simple with the others. Mexico has products that the world looks to her to provide. She can not go on making the world wait. If she establishes security, which will permit her people to work in the fields and mines and exchange their products for those of other nations, all will be well with her internationally. If she can not, or will not, do so, she will surely suffer infringements of her sovereignty by foreign powers bent on doing for her what she can not do for herself.

And he ends his article with the ominous sentence: "May Mexico soon realize her danger."

Now, if it is right for us to subjugate by war a so-called backward nation (for this is the only possible interpretation of Admiral Rodgers's "infringements" of sovereignty and "doing for her what she can not do for herself") because such a nation does not produce enough for our machines, why is it not just as right to go to war with a forward country because it produces too much? Overproduction by another nation may do, in fact often does, more damage to industrial life than underproduction. And the justification of war for such a purpose opens the door to war for any business reason which, after all, is perhaps, what industro-financialism of the American school is leading up to.



We are living in the age of the machine, which must be fed, however our minds and spirits may starve. Man, said Allen Upward, made the Machine with his own hands, and then, according to his idolatrous nature, fell down and worshiped. Nevertheless, many of us will agree that there are limits to the sacrifices, — sacrifices in happiness, sacrifices in our ideas of the purpose of things and the dignities and decencies of life, — which should be made to a machine even in an age of idolatry.

As I have said, if we look at Mexicans, or any other people, or for that matter, at any single individual in the world, solely as a cog in a world machine of quantity production, and as possessing only such rights and choices of action as the needs of the machine shall permit, the discussion ends. That is, it ends if Admiral Rodgers's contention, that Mexico's lack of order prevents her from producing her quota of raw materials for the use of ourselves, England, France, and Germany, is a sound contention.

However, unluckily for this contention, Mexico is not doing so badly. Indeed, she is making good progress toward that Utopia of industrial fecundity which, in the opinion of Admiral Rodgers, will warrant us in not insisting that her people shall, as he so aptly puts it, "take up their fetters and get to work again." Her foreign trade has grown from 454,903,000 pesos in 1910, the last year of the administration of Porfirio Diaz, which is generally regarded by American industrialists as a model administration, to 1,067,208,000 pesos in 1925, or an increase of about 110 per cent. A sizable part of this increase is due to the development of the oil fields. Yet, exclusive of oil, there has been a growth of nearly 300,000,000 pesos. And approximately 73 per cent of Mexico's exported products are sold to this country.

Even during the most disturbed period of Mexico's nine year struggle for liberty, her oil production showed a steady crescendo, which was highest in 1922, the second year of Obregon's administration, the subsequent falling off being occasioned by the failure to strike new gushers in the Tampico and Vera Cruz districts. It should be carefully noted that no revolutionary activities have been recorded for some years in the oil regions. Consequently, any statement attributing Mexico's decreased oil production to revolutionary movements against the Calles government should be taken with a grain of salt.

In his FORUM article Admiral Rodgers achieves the unusual triumph of keeping oil out of the Mexican question. To be exact,



the word "oil" appears but twice. Once in conjunction with hemp, tobacco, coffee, and lumber, in a list of Mexico's natural resources. And again when he notes that religious and radical questions are exciting "as much or even more notice than oil".

In reality, oil is and long has been the bone of contention between Mexico and this country. And naturally so, for the stake of American companies in Mexico is immense. In 1924, our government estimated American investments in Mexican oil lands and refineries at \$478,000,000. In the same year, Mr. Doheny, who subsidized Secretary of the Interior Fall and had ex-Secretary of the Interior Garfield and ex-Secretary of the Treasury McAdoo on his payroll, valued his Mexican interests at \$218,000,000. In 1925, a Wall Street firm put American investments in Mexican oil at \$700,000,000. President Harding put Fall, an ardent interventionist and owner of Mexican properties, in the Cabinet. The Standard Oil Company has vast interests in Mexico. So have Secretary of the Treasury Mellon and Harry Sinclair of Teapot Dome fame. On April 25, President Coolidge announced that the question of American oil titles in Mexico was not arbitrable, a disquieting statement, since a man who repudiates arbitration is generally either tremendously right or tremendously wrong. And one would feel more confidence in the President's position, had some of the individuals claiming title in Mexico shown themselves better citizens in their own country.

As a part of the thesis that Mexico, under a liberal government, can not maintain the degree of order necessary to the fulfilment of her function of keeping the wheels of other people's factories going, there is often introduced an eulogy of Porfirio Diaz, the strong man who, according to his admirers, kept Mexico faithful to her international duty of production. "Mexico," says Admiral Rodgers, "has been in turmoil since Diaz fell in 1910."

No one disputes that Diaz kept order. But was it the order that comes with progress, opportunity, and happiness or something by nature very much the reverse? As has often been said, the most orderly man in the world is the dead man. But next to him, perhaps, it is the peon bound to his task and his master's land by debt and fear. Says Professor Parker Thomas Moon of Columbia, in his just published *Imperialism and World Politics*:



An order reigned, on the whole, during the long dictatorship of President Porfirio Diaz, a shrewd mestizo, who ruled Mexico from 1877 to 1880 and from 1884 to 1911. With one firm hand Diaz suppressed insurrections in Mexico, while with the other he welcomed foreign capital. With money borrowed from abroad some thirteen thousand miles of railways were built. Concessions were granted on generous terms to foreign capitalists who wished to exploit Mexico's mines, her oil, her land. Diaz was praised as the strong man of Mexico, an enlightened despot; he was given the G.C.B. by King Edward of England; all was well with Mexico, from the viewpoint of the foreign investor.

This was one side of the shield of the Diaz dictatorship. The other was that he sold much of the people's land to wealthy *hacendados* and land speculators. "Ninety per cent of the villages on the central plateau were left landless," says Moon, "While many small owners lost their little farms and joined the ranks of the discontented agricultural laborers held in bondage by debt. The census of 1910 showed that 6,000 hacendados owned 550,000 square miles; whereas only one-fourth of the land was owned by the common people in commons and small farms; and the agricultural laborers held in debt service (*peons de campo*) with their families made up over sixty per cent of the total population. Here was good material for revolution."

"He liberated his people from sloth," said a well-known American concessionaire of Diaz. True in a sense. Diaz made them work as they had never worked before and for incredibly low wages. In effect, they had to become the slaves of the rich farmers and industrialists, since their means of independent living, — the land, — was gone. Admiral Rodgers contends that when Diaz fell, Mexico had fifteen years of disorder in the name of liberty. Certainly the revolution against Diaz did not bring the Mexican ship of state into calm waters for some years. But, on the other hand, it may equally be said that under Diaz the bulk of the Mexican people had thirty-three years of slavery in the name of order; that the ensuing disorders were the direct result of his tyranny to which, like all tyranny, the cardinal objection was that it inevitably fathered a period of disorganization.

Read McMaster or any standard history as to the conditions prevailing after our own revolution. Repudiation of debts, small respect for federal authority, inability to enforce contracts, no foreign policy, no credit for the United States on any exchange in Europe, turbulent scenes even in staid Rhode Island and Massachusetts. And after the Civil War, the state of things was even



worse in the Confederate states. A Committee of the House of Representatives reported that, in the first nine months of 1868, 784 people were killed in feuds arising from reconstruction conditions in a single state, 50 wounded by gunshot and 365 maltreated. Bloody border warfare went on for years. Industry and agriculture were paralyzed in a third of the states.

Mexico has had her revolution, as we had ours. Now, under the leadership of Calles, a man of fine intelligence and integrity, as well as a great educator, Mexico is going through her period of reconstruction. May this not be wrecked by industro-financial groups here that have shown scant consideration for the property, the law, and the honor of their own land!

